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SENSITIVE  
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STATE FOR PM/DTCC (BLUE LANTERN COORDINATOR)  
STATE FOR NEA/IPA (PECCIA)

E.O. 12958: N/A

TAGS: [ETTC](#) [KOMC](#) [IN](#) [IS](#)

SUBJECT: RESULTS OF BLUE LANTERN LEVEL 3 POST SHIPMENT  
END-USE CHECK ON LICENSE 050008627

REF: A. STATE 98010  
[1B](#). JOUBERT-LIN-KEAYS E-MAIL OF 8/30/07

[11](#). (SBU) Acting on instructions in ref A, Embassy Tel Aviv Blue Lantern Officer conducted a site visit to IAI Elta Systems, Limited's office in Ashdod on August 6 to determine the status of 20 cable assemblies delivered to Israel. Blue Lantern Officer determined that IAI Elta Systems received the 20 cable assemblies, and that they are being used for the purpose stated on the license. Specific details follow.

[1A](#). Blue Lantern Officer met with the following Elta Systems employees:

-- Yacob Saraf, Deputy General Manager, Elta IMINT and Radar Division

-- Orly Araza, Head of Security Department

-- Shlomo Meshulam, Deputy Security Director and Information Security Manager

Colonel Kobi Fogelman from the Israeli MOD's Directorate for Security (MALMAB/DSDE) was also on site and played a significant role in organizing the site visit.

[1B](#). During the site visit, Blue Lantern Officer:

-- was shown a DSP-5 License dated June 30, 2006 and signed by Timothy J. Ruthemeyer. The country of destination listed on the document is India, and the Foreign End User listed is the Indian Navy. The license value listed was USD 34,068.00.

-- was told that the 20 cable assemblies were received from the U.S. in six different shipments. The cable assemblies are being incorporated into Type EL/M-2032 Airborne Radar Systems which constitute the fire control radar for the Indian Navy's Sea Harrier. The cable assemblies work as high-voltage connectors for tubes that provide power to the radar system's transmitter.

-- was shown the original letter from the Indian Navy concerning the four Type EL/M-2032 Airborne Radar Systems (including four of the cable assemblies) that it had already received. (NOTE: These have the Elta serial numbers IN104, IN204, IN102 and IN201. END NOTE.)

-- was shown seventeen (17) of the cable assemblies in various configurations. Of these, Blue Lantern Officer was informed that three (3) were currently assigned to the

assembly line. Two (2) of the cable assemblies had already been fitted into tubes (with Elta serial numbers IN205 and IN206) and were ready for shipment. One of the assemblies had been fitted into a replaceable part of the transmitter (known as an SRU). Two (2) others remain at the first stage of the assembly process.

-- was informed that four (4) of the assemblies had already been delivered to the Indian Navy. One (1) was returned for repairs, so Elta is now in possession of seventeen (17) of the assemblies. (NOTE: The one assembly returned for repairs was already fitted into a complete transmitter unit. The Elta serial number on it is IN201. END NOTE.)

-- was shown the eight (8) remaining cable assemblies in storage, with end-user stickers on them that indicated that they are only to be used for the EL/M-2032 project. The stickers noted that they are controlled items.

-- was told that two of the assemblies, and the repaired assembly, would be sent to India in August. It would take some time for the remaining assemblies to be fitted into their final components and shipped to India. Blue Lantern Officer was told that it takes six months to manufacture an entire component.

12. (SBU) Blue Lantern Officer has sent by FAX to PM/DTCC (FAX number 202-261-8198) ten pages of documentation, including a copy of the DSP-5, a copy of the letter from the Indian Navy, and a chart showing the disposition of the 20 cable assemblies.

13. (SBU) Blue Lantern Officer received a general briefing on Elta Systems, Ltd. The company is owned by Israel Aircraft Industries (IAI). Its president is Mr. Nissim Hadas. Elta

Systems, Ltd. is comprised of several divisions, including IMINT and Radar, SIGINT, Airborne Early Warning (AEW), Technologies, and Integrated Micro-Systems. It is carrying out several projects for the U.S. Air Force, and supplies Northrup Grumman with antennas for the F-16 (as part of the F-16I offset). It is also working with Lockheed Martin on a marine patrol radar for the U.S. Coast Guard. There are 3,000 workers at Elta Systems, Ltd.'s complex in Ashdod.

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Visit Embassy Tel Aviv's Classified Website:  
<http://www.state.sgov.gov/p/nea/telaviv>

You can also access this site through the State Department's Classified SIPRNET website.

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